(c) the criteria to be followed for providing the fund to the industrial units; and

(d) the purpose for which such withdrawals is proposed to be allowed?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Provident Funds money belongs to the workers. The contributions in the fund collected but not required immediately for payment are invested according to the pattern of investment approved by Ministry of Finance. The Provident Funds money along with the interests standing in the individual account is paid to the workers as and when his claim is received. As such the Provident Funds money does not remain unutilised and is also not meant for disbursement among the industrial units.

(c) and (d). Does not arise.

Rehabilitation of Handicapped Persons in P.S.Us

4618. SHRI PRAMOTHES MUKHERJEE: Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have received representations and several courts have passed orders regarding rehabilitation of handicapped persons in the Public Sector Undertakings;

(b) if so, the details thereof;

(c) whether even after the decision of courts, a number of handicapped persons are still awaiting their rehabilitation in the PSUs; and

(d) if so, the steps proposed to be taken by the Government to ensure expeditious rehabilitation of the handicapped persons in the PSUs and settlement of their claims instead of proceeding further litigations?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) to (d). The information is being collected and will be laid on the Table of the House.

Industrial Projects of Orissa

4619. SHRI SOUMYA RANJAN: Will the Minister of INDUSTRY be pleased to state:

(a) whether industrial projects pertaining to Orissa are pending with the Union Government for clearance;

(b) if so, the details thereof, project-wise alongwith the estimated cost of those projects;

(c) the reasons for delay in taking decision on those projects; and

(d) the time by which the decision is likely to be taken on these projects?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b). Yes, Sir. As on 31.7.96 a total number of 15 Industrial Licence applications for the manufacture of sugar, asbestos, cement, explosives, etc. from the State of Orissa are pending for clearance. The proposed investment of these projects are Rs. 73176 lakhs.

(c) and (d). All steps are taken for speedy disposal of applications. Actual disposal of applications depends on the sectoral policy adopted by the Administrative Ministry, their recommendations in specific cases and also furnishing of relevant information by the applicants.

Norms for Disbursal of loans by Banks

4620. SHRI PARASRAM BHARDWAJ: Will the Minister of FINANCE be pleased to state:

(a) whether with the Reserve Bank of India's tightening norms for the disbursement of loan by scheduled commercial banks, the demand for Inter-Corporate Deposits has soared pushing up their interest rate;

(b) whether corporates are facing acute financial crisis as banks are insisting on various requirements to be fulfilled before sanction of loans;

(c) whether the corporates are not willing to take long term exposure at this rate as the cost of funds has increased to over 20 per cent; and

(d) if so, the reaction of the Reserve Bank of India in these circumstances?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d). It has been reported by Reserve Bank of India (RBI) that they have not tightened norms for disbursement of loans by the commercial banks. They have further reported that the earlier guidelines issued by them to ensure end use of bank credit have only been reiterated. These measures, when implemented, would prevent diversion and/or misuse of bank credit. The interest rate structure prescribed to scheduled commercial banks has recently been deregulated considerably. Banks are now free to determine the term deposit rates for maturities over one year they offer to the public. Similarly for credit limits over Rs. 2 lakh banks are free to determine their own lending rates. While fixing their deposit and lending rates banks take into account the cost and likely return on deployment of funds. Banks have to manage competing demands for credit from all sectors of economy and hence the rates charged would cover cost of resources with a reasonable spread for them.